



FOR IMMEDIATE RELEASE

September 19, 2006

FACT SHEET

MAYOR ANNOUNCES COMPLETION OF MAJOR FINANCIAL MILESTONE: RELEASE OF DRAFT FY03 CITY FINANCIAL STATEMENTS

DRAFT REPORT A CRITICAL STEP TOWARD RE-ACCESSING PUBLIC CREDIT MARKETS, FUNDING MUCH NEEDED WATER & SEWER IMPROVEMENTS

Mayor Sanders has delivered the final draft copy of the City's Comprehensive Audited Financial Report (CAFR) for the 2003 Fiscal Year to the outside audit team at KPMG and the City's Disclosure Practices Working Group (DPWG). The two groups will recommend edits to the document culminating in the release of a formal opinion letter by KPMG on the CAFR and the City Council's consideration of the document in late October. The document is not being released publicly because it is not yet final or complete.

The Mayor's delivery of the draft '03 CAFR helps fulfill his commitment to aggressively work toward returning to the public credit marketplace so that the City can fund much needed capital infrastructure.

The draft report delivered by the Mayor is the eighth revised version of the '03 CAFR and incorporates both findings from the Kroll Audit Committee and notes on significant issues affecting the City's 2003 Fiscal Year financial accounts.

The delivery is consistent with the time table for accessing financial markets that the Mayor included in his response to the Kroll report, as follows:

Today: **Major Milestone: KPMG and members of the City's DPWG begin their review of the Draft FY03 CAFR**

By October 27, 2006: KPMG will issue its opinion letter for the City's FY03 CAFR

City staff delivers Draft FY04 CAFR to Macias, Gini and O'Connell (MGO) and DPWG

By October 27, 2006: (con't)	Major Milestone: KPMG and the City's DPWG begin their review of the Draft FY04 CAFR
By November 22, 2006:	MGO will issue its opinion letter for the City's FY04 CAFR Major Milestone: Audited Financial Statements for FY03 & FY04 completed
By November 24, 2006:	Audited Financial Statements for FY03 & FY04 will be distributed to all three rating agencies/discussions to begin on ratings.
By February 16, 2007:	MGO will issue its opinion letter for the City's FY05 CAFR Major Milestone: Audited Financial Statements for FY05 completed
By February 19, 2007:	FY05 Financial Statements sent to all three rating agencies
By February 28, 2007:	Rating decisions expected Major Milestone: City can once again access public credit markets
June 2007	Major Milestone: City would expect to have cash in hand for major capital projects